

HOUSE BILL 2888

By Coley

AN ACT to amend Tennessee Code Annotated, Title 39,
Chapter 17, Part 1, to create the offense of
drawing a lien without legal basis.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF TENNESSEE:

SECTION 1. Tennessee Code Annotated, Title 39, Chapter 17, Part 1, is amended by
adding the following new, appropriately designated section:

(a)

(1) It is an offense for any person to knowingly cause to be prepared,
sign or file any lien or other document that is intended to act as an encumbrance
on any person or property when there is no reasonable basis for assuming that
the party has any legal cause to place such document on the person or property.

(2) As used in this subsection (a), "person" includes any individual,
corporation, firm, company, partnership or association.

(b) Upon a final conviction for an offense pursuant to this section, any court
having or exercising circuit court jurisdiction may order:

(1) The removal from record of the offending document; and

(2) The filing of an order of the court declaring:

(A) The offending document to be void and of no legal effect; and

(B) Removing any cloud on the title that may have arisen
because of the document.

(c) This section shall not apply to any licensed attorney who, in good faith,
prepares such a document in the course of representation of a client.

(d) A violation of this section is a Class E felony.

SECTION 2. This act shall take effect on July 1, 2012, the public welfare requiring it.